

WASHINGTON, DC – Congressman Robert C. "Bobby" Scott (VA-03) issued the following statement on his opposition to H.R. 807, the so-called "Full Faith and Credit Act":

"With this legislation, the leadership in the House has revealed that they are more concerned with manufacturing another crisis that will only threaten our economic recovery, instead of governing responsibly. The bill considered in the House today would require the Treasury Secretary to pay principal and interest on the debt first and then use any available remainder to pay other obligations. Essentially, the government of the United States would no longer be able to guarantee that we can pay our bills on time. Economists from across the political spectrum have warned that any kind of default on any obligations of the government of the United States would inflict significant damage to our economy.

"The leadership in the House has apparently forgotten that the last time they threatened default, the economic damage was serious. In the summer of 2011, our economy slowed, the Dow plunged 2,000 points, and Standard and Poor's downgraded America's credit rating for the first time in our nation's history. That occurred even though the debt ceiling was ultimately raised in a timely fashion, but the mere discussion of a failure to raise the debt ceiling was sufficient to inflict the damage. History should be our guide and the consideration of this legislation only lends credibility to the idea that the debt ceiling may not be raised. The House should instead be focused on governing responsibly by moving to reconcile the budgets passed by the House and the Senate and cancelling the sequester – not wasting our time on legislation that will only raise questions about the full faith and credit of the United States."

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